**Creation of a single European community market**

3583. SHRIMATI SUDHA VIJAY JOSHI: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that some studies have been conducted by Government regarding likely impact of the proposed creation of a Single European Community Market; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSHI): (a) and (b) Studies carried out on the measures initiated to Integrate the European market indicate that the proposals cover simplification and abolition of frontier controls on goods, freedom of movement and establishment of people, implementaton of the new approach for technical harmonisation and standards and prevention of new technical barriers, opening of public procurement markets, liberalisation of capital movements, company law and taxation, intellectual and industrial property, removal of fiscal frontiers and liberalisation of capital movements and in the services sector, financial services, banking, insurance, securities, markets and transport. Since a large number of the proposals are yet to be adopted by the European Council, exact impact of these on our trade cannot be assessed accurately.

**Tripura Accord**

3584. PROF. C. LAKSHMANNA: Will the Minister of HOME AFFAIRS be pleased to refer to a newsitem in the Newstime of the 6th March, 1989 and state:

(a) whether it is a fact that the Tripura Accord signed in August, 1984, has run into difficulties;

(b) if so, what are the reasons therefor; and

(c) what is the progress with regard to its implementation?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI SONTOSH MOHAN DEV): (a) No, Sir.

(b) Does not arise.

(c) In so far as Central Government is concerned, action as required to implement the provisions of the Memorandum of Settlement on Tripura has by and large, already been taken. TNV personnel came overground and deposited arms and ammunition according to a time bound programme thus restoring normalcy in Tripura. Most of the former underground elements of TNV have already been reliabilitated. More powers have been given to the District Council in Tripura through Sixth Schedule to the Constitution (Amendment) Act, 1988 which came into force w.e.f. 16th December, 1988. Measures have been taken both for short term and long term economic development of tribal areas in Tripura. All India Radio has also increased the contents of their programme for tribal language.

**Drug trafficking**

3585. DR. G. VIJAY MOHAN REDDY: Will the Minister of FINACNE

(a) whether it is a fact that at present India is a major transit point for dangerous narcotic drugs; and

(b) what is the number of drug smuggling cases registered during 1988 and how many culprits were punished?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) It is a fact that India Is increasingly being used as a major transit point for trafficiking in narcotic drugs and psychotropic substances. This has also been confirmed by the reports of International Narcotics Control Board.

(b) The total number of drug smuggling cases booked by the various drug law enforcement agencies in the country during 1988, are 1770. Of 2007 persons arrested for various drug related crimes in 1988, 333 persons had been convicted.

**Development of capital market**

3586. SHRIMATI SUDHA VIJAY JOSHI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a high level working group set up by his Ministry on development of capital market has submitted its report;

(b) if so, what are the details thereof; and

(c) what decision Government have taken on the basis of the report?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The high level working group set up by the Planning Commission on development of capital market has submitted its report.

(b) and (c) The recommendations of the group are under examination of Government and these will be disclosed as and when a decision is taken.

**Excise duty on consumer durables**

3587. PROF. C. LAKSHMANNA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that hike in the excise duties on consumer durables in general and electronic goods in particular will adversely affect the growth of electronic goods industries; and

(b) if so, what corrective steps will be taken to prevent the adverse affect and if not, what are the reasons for upholding the production in these areas inspite of the hike?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) The growth of electronic goods industry depends upon a variety of factors like industrial licensing policy, setting up of new industries, development of new products, demand, price etc. Excise duty is one of the factors in determining the market price of consumer items. It cannot therefore be said that the recent increase in excise duties on consumer durables by itself would adversely affect the growth of electronic goods industry.

**Transfer of funds by the public sector undertaking from S.B.I. to nationalised banks**

3588. SHRI MURLIDHAR CHANDRAKANT BHANDARE: Will the Minister of FINANCE be pleased to state:

(a) what is the percentage of funds belonging to different public sector undertakings in the State Bank of India and other nationalised banks at present;

(b) whether a trend has been noticed by Government to transfer funds from the State Bank of India to other nationalised banks; and

(c) whether Government have gone into the matter and if so, what is the outcome thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India (RBI) has reported that the present data reporting system of the Bank does not generate the information relating to the percentage of funds belonging to different public sector undertakings in the State Bank of India and other nationalised banks.

(b) and (c) In terms of the existing instructions and practices, a public sector undertaking is free to deal with any of the 28 public sector banks unless there is a specific provision in the Statutes under which it has been set up limiting or restricting its operations with one or more banks.